

March 4, 2008

To: Beachcomber Membership
From: Fred Nazare
Subject: Concrete Restoration Project

I have been requested by the Board to update the Unit Owners on the status of the Concrete Restoration Project. This report will be posted on our Bristol web site and can be accessed as follows: www.bristolmanagement.com, next click on Associations, scroll down and click on Beachcomber, then click on Concrete Restoration, for the information menu. Unit Owners should continue to check this site for future updates about the Concrete Restoration Project...

To establish where the Project is at the present time and what is needed to go forward, it is helpful to look at what has been done.

PROJECT REVIEW

The Beachcomber has fourteen (14) residential buildings containing twenty eight (28) Balcony Systems. Based on the "Concrete Restoration/Balcony Drawings dated March 2007" and the "Concrete Restoration/Balcony Project Manual dated March 2007" prepared by A.T. Designs, work was required on twenty four (24) of the Balcony Systems. Not requiring repair work at this time are: D-2/4, E-2/4, J-2/4 and L-2/4.

I provided an April 10, 2007 memo to the Board (now also posted on our web site) to "provide the Board and Unit Owners a comprehensive summary of the investigation, drawings, estimates and bid package for the Concrete Restoration Project." At the end of the memo some recommendations were made.

Upon authorization by the Board, A. T. Designs proceeded to get bids and the Board awarded a contract to Structure Con to do the work. A letter was sent to Unit Owners and work was started in August. Almost immediately after starting, work was delayed for several weeks until October, because of problems with obtaining permits.

During the course of the work, it was determined by A.T. Designs that five (5) of the balconies required complete slab replacements which dramatically increased the project cost and blew our initial cost estimates and our schedule "out of the water". It is important that everyone realize that A.T. Designs is not only the Association's engineer but is also a Special Inspector for the Jupiter Building Department. They inspect on behalf of and submit certified reports to the "Chief Building Inspector Town of Jupiter". They alone determine the extent of the work to be done, how it's done and THAT'S IT!

Frank Fini, a Board Member, returned to the Beachcomber in October and took charge of coordinating the Restoration Work on behalf of the Association. Frank has done a terrific job in keeping the project moving to date, spending time everyday sometimes all day, including foregoing playing golf.

By the beginning of February 2008 work was completed on nine (9) balcony systems adjacent to Eighteen (18) Units, at which time it was stopped. The primary reason for the work stoppage is because of lack of cooperation from Unit Owners in making their units available when needed to continue the concrete restoration work.

At the January 24th Board Meeting Chuck Manino, Nancy DiRocco, Rosalie Godwin, myself and a few others agreed to assist to try to keep the project going forward. We were not successful, again because of lack of cooperation on the part of the Unit Owners.

ASSOCIATION'S RESPONSIBILITY

The Association has a fiduciary responsibility to maintain these "limited common elements". Failure to do so invites lawsuits. In my opinion the best course of action for the Association is to move ahead and properly complete the Concrete Restoration Project as quickly and efficiently as possible.

Each balcony system is adjacent to two (2) Units and the repair work requires the removal and reinstallation of railings, screens, ceilings, floor tile, possibly window walls, etc. which are the property of the Unit Owners, in order to do the actual Concrete Restoration Work the Association is responsible for.

The actual scope of the repair work on a particular balcony can only be determined by A.T. Design as the deteriorated concrete is chipped and removed. Therefore, any projected schedules are constantly changing. In order to do this project as quickly and efficiently as possible which is to everyone's advantage, the individual Unit Owners have a responsibility to cooperate and adjust their schedules to assist someone like Frank who is making this effort on their behalf.

Instead of Unit Owners helping the Association, it's just the opposite or "Wag the Dog" syndrome. Many Unit Owners insist on delaying or revising any work to meet their particular needs. When coordinating a project like this one expects to have issues with the contractor, engineer and building department and we have. But to not have the full and complete cooperation of and sometimes take abuse from individual Unit Owners is unacceptable!

STATUS OF PROJECT AT THIS TIME

The work is completed on nine (9) Balcony Systems adjacent to eighteen (18) units: B-1/3, C-1/3&2/4, F-1/3&2/4, H-2/4, I-2/4 and K-1/3&2/4.

Five (5) of the Balcony Systems B-1/3, F-1/3&2/4 and K-1/3&2/4 required complete slab component replacement.

That leaves fifteen (15) Balcony Systems adjacent to thirty (30) units to be repaired to complete the 2007 Concrete Restoration Project. They are: A-1/3&2/4, B-2/4, D-1/3, E-1/3, G-1/3&2/4, H-1/3, I-1/3, J-1/3, L-1/3, M-1/3&2/4 and N-1/3&2/4.

The following cost analysis is based on:

1. The latest Application for Payment #10 from Structure Con which invoices for the work through January 31, 2008.
2. A.T. Designs invoices through January 31, 2008.
3. Nothing has been included for any penalties, costs, price increases, etc. that Structure Con may be entitled to under the terms of the contract as a result of the Beachcomber's Suspension/Termination of the work.

For the work completed on the nine (9) Balcony Systems:

Amount invoiced by Structure Con through January 31, 2008	\$255,125
Amount invoiced by A.T. Designs through January 31, 2008	<u>27,263</u>
Total Project cost to date	\$282,388
Estimated amount to be invoiced Unit Owners	<u>41,907</u>
Total invoiced to the Association	\$240,481

Therefore the average cost per Balcony System= (\$240,481 divided by 9) = \$26,720

The estimated cost to complete the remaining fifteen (15) Balcony Systems is \$200,000 to \$400,000 depending on the actual conditions of the individual balconies when being repaired. Past experience may not be indicative of future conditions.

The main factor that has increased the estimated Project Cost above the original budget was the need to replace the complete slab components on (5) of the (9) Balcony Systems which were repaired. For the work completed to date there were nine (9) Change Orders for a total of \$124,680. The main bulk of this, \$93,500, was for the replacement of the (5) slab components including removing and replacing the ceilings in the lower units. The remaining costs of approximately \$31,000 appears to be for the repair of miscellaneous items such as the underside of stair platforms, pavers and other repairs not part of the Balcony Systems. These probably had been included as part of a list prepared by Terry Daly, which for some reason were not included in the original budget and are now being added in the Change Orders

ACTION REQUIRED TO CONTINUE THE PROJECT

As a result of my experience on the Board including having coordinated the prior Concrete Restoration Project in 2003 and the assistance I have provided for the present project, I would like to make the following suggestions to the present Board Members for the anticipated start-up of work in September 2008.

Project responsibilities could be divided as follows:

1. Project Management: Either A.T. Designs or another licensed firm or individual should provide the Project Administration. It should include daily visits when work is in progress to provide full project administration of the contractors work
2. Project coordination by individual Unit Owners: The Association needs a great deal more help from Unit Owners who must cooperate in order to finish the balcony restoration project by the end of next season.

As you will note from the attached Site Plan, every building will experience restoration work, some minor in nature others more extensive. The following is a partial list of items that are the responsibility of individual Unit Owners.

1. Bristol Management must have a current key to your unit in the event access is required by Structure Con.
2. For the remaining 15 balconies (30 Unit Owners): **The Unit Owner will be required to employ his or her own contractor or Structure Con, including obtaining all necessary permits and inspections to reinstall or replace the screens, tile floors, shutters, glass enclosures, and any other items which are considered the Unit Owner's responsibility.** Our previous attempt to facilitate the Unit Owners in putting back the screens, tile floors, shutters, etc., have resulted in too many headaches for the Association, when in fact it is the Unit Owner's responsibility.

Ten (10) days prior to work starting on a particular balcony, Bristol will post a schedule on our Bristol web site, as referenced at the beginning of this report, to assist Unit Owners in coordinating their work.

As work proceeds a Unit Owner's balcony floor tile may have to be removed to do the restoration work. The replacement of any tile or floor covering is the responsibility of the Unit Owner.

Historically about 20% of Unit Owners have taken on all the responsibility of running the Association while the remaining 80% have not participated. This is no longer feasible or acceptable if the Concrete Restoration Project is to be completed by the end of next season.

Fred Nazare

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